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continuing access to quality health care services. Last year I offered health planning legislation citing the importance of planning in controlling the rapid increase in health care costs, and I outlined the dangers of leaving the Nation without this essential element of intelligent health care cost controls.

This legislation will allow the States, who have become much more sophisticated about the problems of health care delivery, more flexibility in creating State planning mechanisms. While there is no requirement that a State have local planning organizations, funding is available for those locals wishing to continue to participate in the planning process.

By centralizing all planning functions in one designated State agency, this legislation further enhances the ability of Governors to create health planning programs designed to meet the individual needs of the various States.

In addition, a modest attempt is made in this legislation to encourage the strengthening of market forces within the health care system. Advisory councils, dominated by employers and other purchasers who actually pay the major portion of the health care bill, are established. These councils will insure that those who have a vested interest in controlling costs have a say in the way it is done.

Matching grant funds are also incorporated as a further incentive for local planning organizations to involve major purchasers of health care in the planning process.

Mr. President, in the present regulatory climate where each major payer of health services, including the Federal and State governments, is aggressively pursuing cost control, it is essential that the distribution of health services not become a function of formula regulation. The explosion in total revenues spent for health care has not resulted in equal availability. Medically underserved areas continue to exist in our cities and rural communities.

We have all witnessed the effects of this maldistribution, be it increased infant mortality in a segment of our society, or the misery of living with an ailment for which there is no available, or affordable, cure.

Health planning has two major purposes: To prevent unnecessary and duplicative expansion of health services and facilities and to encourage the availability of these services and facilities in areas lacking them. Thoughtful prospective planning based on need, coupled with certificate of need regulation, are the essential means to these ends. One without the other will not succeed.

Likewise, linking planning and the regulatory authority necessary to implement it in a single agency assures that neither function is impotent. The work of health planners must be the basis for certificate of need decisions and certificate of need decisions must be grounded in solid planning.

Mr. President, we are presently spending almost 12 percent of our gross national product on health care while millions of Americans are still medically underserved. Health planning is one of the necessary tools to ensure that this expenditure is made most wisely and for the benefit of all our citizens.

I urge my colleagues to support this measure.●

● Mr. KENNEDY. Mr. President, I am pleased to join with my colleague, Senator WEICKER, in introducing a bill to reauthorize the health planning program.

This bill makes several changes to improve the program, including a more flexible and less detailed specification of the characteristics of local health planning agencies; establishment of higher, more realistic thresholds for certificate of need review; a closer relationship between State and local planning agencies; and a new matching requirement to assure that local agencies secure broad community support.

The need for health planning is great. While establishment of Medicare prospective payment has introduced some constraints on the increase in inpatient hospital costs, inflationary pressures in health remain strong. As long as investment in health facilities and major medical equipment remain unconstrained, it will be difficult for reimbursement controls alone—particularly those applying to only one payor and one segment of the health care industry—to permanently control health care cost inflation. Moreover, the lack of constraints on capital investment means continued unnecessary duplication of facilities and waste of resources that could better be used in improvement of health services.

The new Medicare Prospective Payment System and enhanced competition in the health care market make the necessity for health planning greater than ever in some respects. Market forces can make an important contribution to restraining health care costs, but they cannot guarantee a health system that is responsive to health care needs. Health planning can make a vital contribution to providing the data base and public input necessary to shape a health care system that is truly responsive to local and national needs and desires.

Reauthorization of health planning is supported by a broad coalition of health care purchasers, consumers, health care policy analysts, and health care providers, including the American Health Planning Association, the AFL-CIO, the National Association of Counties, the Washington Business Group on Health, American Medical Peer Review Organization, American Nurses Association, Catholic Health Association, Group Health Association of America, National Association of Rehabilitation Facilities, Health Insurance Association of America, Blue Cross/Blue Shield Association, American Public Health Association, Kaiser Health Plan, and the American College of Physicians.

I hope that it will be possible to move this bill promptly to passage so that this important program can be put on a stable basis.●

By Mr. ARMSTRONG (for himself, Mr. NICKLES, Mr. GRAMM, Mr. EAST, Mr. SYMMS, Mr. ZORINSKY, Mr. THURMOND, Mr. DURENBERGER, Mr. HUMPHREY, Mr. HELMS, Mr. GOLDWATER, Mr. ABDNOR, Mr. BOSCHWITZ, Mr. TRIBLE, Mr. DANFORTH, Mr. DOLE, Mr. RUDMAN, Mr. WALLOP, Mr. QUAYLE, Mr. GARN, Mr. LUGAR, Mr. DENTON, Mr. LONG, Mrs. HAWKINS, Mr. GORTON, and Mr. GRASSLEY):

S. 1105. A bill entitled the "Federal Contractor Employees Flextime Act;" to the Committee on Labor and Human Resources.

FEDERAL CONTRACTOR EMPLOYEES FLEXTIME ACT

● Mr. ARMSTRONG. Mr. President, not often does Congress have the opportunity to enact legislation that will save taxpayers at least $1 billion in this decade and at the same time increase industry's productivity, improve employee morale, reduce labor costs, save energy, and modernize the workplace. Today I am introducing reform legislation which will accomplish all this and more. This legislation reforms the Walsh-Healey Act to allow Federal contractors in the private sector to work flextime hours.

Under current law, Federal agencies allow Federal employees to work flextime work schedules. This legislation was enacted by Congress 3 years ago but Congress failed to allow the same benefits to Federal contractors in the private sector. In essence, Federal contractors in the private sector must pay their employees overtime pay for hours worked after an 8-hour workday. This prevents employers and employees from benefiting from flexible work schedules such as 4 days a week, 10 hours a day work week.

The legislation I am introducing today will create permanent statutory authority for alternative work schedules for Federal contractors in the private sector. The Senate passed this exact legislation once before but it was dropped in conference. It is time that we provide these Federal contractors in the private sector the same benefits other Government contractors and other workers in the private sector receive.

A year ago the Grace Commission reported that the current Walsh-Healey Act drives up Federal contract costs by reducing competition and artificially inflating labor costs. The Commission estimated that this outdated law costs the Federal Government between $673 million and $1.3 billion an-

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nually, reports the Grace Commission. The Congressional Budget Office—in a just released study—estimates that once Walsh-Healey reform is fully implemented that annual savings to the Government will exceed $550 million.

The Commission specifically recommended that the current law be amended to eliminate the now required 8 hour a day threshold from the overtime pay requirement, while retaining the 40 hour per week requirement.

The Commission stated that the 8 hour per day overtime provision in this act "is out of step with times" and serves only to increase costs to the Government for work performed by these contractors. "Changes in the composition of the work force, particularly the influx of women and working mothers, have substantially altered the needs and characteristics of the average American worker. The patterns of working the 40-hour workweek have also shifted so that flexibility has replaced tradition as the basis of work schedules."

In addition to the advantages to the Federal Government, the Grace Commission listed a number of advantages that Walsh-Healey reform would have on the private economy:

More Jobs.—Experience at the corporate level with compressed workweeks has resulted in an increase in the total number of jobs. Increase in productivity, competitiveness, and the number of shifts employed translates into more jobs opportunities.

Benefits to employees.—The compressed workweek shows that employee morale and job satisfaction increases as a result of the increased flexibility of a compressed workweek. This is a result of reduced commuting costs and actual time spent computing, allowing for increased blocks of leisure time for family commitments, education opportunities, and personal fitness.

Benefits to employers.—Compressed workweeks provide benefits and more flexibility for employers including decreased overtime costs more efficient use of plant and office facilities, and increased employee productivity due to better employee morale.

Benefits to the community at large.—In addition to creating more jobs, the Commission's report stated that studies on the compressed workweek provide benefits to the community due to reduction in traffic congression, air pollution, energy consumption and also better service to the public as result of increased hours of operation.

Mr. President, this legislation has one objective and one aim: To allow Federal contractors the option of alternate work schedules. The benefits flexitime, however, go far beyond Government interference in the private sector. There are distinct advantages for companies who have chosen to implement the alternative schedule that should be noted. In addition to the Grace Commission, numerous other studies have been conducted on the optional "compressed workweek." These studies, including one by the Comptroller General, Bureau of Labor Statistics (The Compressed Workweek: Results of a Pilot Survey of 16 firms), and the National Center for Energy Management and Power (Feasibility Study of a System of Staggered Industry Hours), point out many of the same conclusions found by the Grace Commission, such as: First, greater productivity—higher weekly output, improved use of plant equipment, and improved employee moral; second, improved working conditions—reduced employee working costs, increased job satisfaction, and ease in recruitment; and three, energy conservation—reduction in fuel costs associated with commuting, and reduction in energy usage for heating and cooling plants or offices.

One possible advantage of particular interest to me deals with the problem of air pollution. We now have evidence as a result of a study released by the Denver Regional Council of Governments in coopertion with the Denver Federal Executive Board, examining the travel habits of some 7,000 Federal employees on the compressed workweek schedule in the Denver area. The study concludes that the compressed workweek is one of the most effective transportation management actions that Denver's Federal agencies can take in addressing the concern of air pollution and traffic congestion.

It has been estimated that neither providing free transit service at peak periods for everyone in the area, nor an extensive and complicated program of carpool matching would even equal the impact on air pollution that resulted from only 7,000 employees on a compressed workweek. Imagine what could result if all employees of Federal contractors in the area, which easily number twice that of the Federal employees in the study, were allowed to shift to a 4-day workweek.

A change in the Walsh-Healey Act would not in any way affect the Fair Labor Standard Act, which governs all workers and provides that overtime premiums be paid whenever employees work more that 40 hours a week. The proposal would not impact the collective bargaining process, nor would it conflict with any of the Federal labor laws. Nothing in this amendment shall be construed to cover employees specified in the Walsh-Healey Act and the Contract Work Hours and Safety Standards Act. Finally, the bill does not mandate a compressed workweek, it only restores to American business and workers serving the Federal Government the basic freedom of choice.

Mr. President, in the past, we have heard many unions and workers testify that Government employees are eager to see the Federal Employee Flexible Work Schedules Act become permanent. The same is true for the employee in the private sector working on a Federal contract. Many private sector collective bargaining agreements across the Nation encompass the four-day, 40-hour workweek. Many labor contracts in my own State of Colorado include provisions for a compressed workweek—and are merely waiting for Congress to update the archaic law.

In my opinion, it is only fair for Federal contractors to have the same advantages that private sector and Government employees do. If that is ever to be accomplished, we must seize the opportunity for the permanent statutory authority for alternative work schedules for Federal contractors. The Senate passed this proposal once before and it was dropped in conference. Therefore, it is necessary that we again pass this important legislation and follow it carefully through conference.●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 1106. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 57, 59, and 13E of the Indian Claims Commission and docket numbered 13F of the United States Claims Court, and for other purposes; to the Select Committee on Indian Affairs.

SAGINAW CHIPPEWA INDIAN TRIBE OF MICHIGAN DISTRIBUTION OF JUDGMENT FUNDS ACT

● Mr. RIEGLE. Mr. President, the bill I am introducing today creates a special distribution for land judgment awards to the Saginaw Chippewa Indian Tribe. This bill is similar to legislation that I introduced in the 98th Congress and that was reported favorably by the Select Committee on Indian Affairs last September.

In the past the Bureau of Indian Affairs has distributed land judgment awards on a descendancy and per capita basis. Yet, descendants could participate without regard to the degree of Indian blood or whether or not the descendant was an enrolled member of the tribe. There is no legal requirement that such awards be distributed in this manner. Rather, distribution is discretionary with the Bureau of Indian Affairs or the Congress (Delaware Tribal Business Committee against Weeks, 430 U.S. 73, 1977). In recent years many tribes have sought special legislation from the Congress to award judgment claims. Some of these bills restrict the judgment award to tribal members and descendants with a minimum degree of Indian blood—usually one-fourth.

According to the Michigan Agency of the Bureau of Indian Affairs, tribes in the State of Michigan will receive over $50 million in judgments during the next 2 to 4 years. These awards are compensation to tribes for instances where treaty reserved lands were taken without adequate compensation.

In January of 1984, the Tribal Council of the Saginaw Chippewa Tribe voted to seek judgment fund legislation from the Congress. Rather than to dissipate the funds from dockets 59, 13E, and 13F through small, one time

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